



With the new, state-of-the-art production capacities, Datwyler can make use of the attractive growth potential in the health care market.

LONG-TERM PROFITABLE **GROWTH**

The Datwyler Group strives for sustainably profitable growth for the benefit of all stakeholders. This ambition, together with the unique shareholder structure, provides the basis for ensuring the Group's independence as a business and helping it assume its social and environmental responsibilities.

The Datwyler Group takes a long-term view of things, as evidenced by its successful history dating back over 100 years. Several production facilities of the Datwyler Group have been located at the same sites for decades. In many cases, Datwyler ranks among the larger employers in the regions where its sites are based. This means Datwyler sites generate considerable direct and indirect benefits for industry in the region. Local municipalities also benefit from this indirect economic impact through things like training places and both the tax paid directly by Datwyler companies and the tax paid indirectly by employees.

Further improvement in operating result

In the 2018 reporting year, the Datwyler Group increased net revenue compared with previous year, by 5.4% to CHF 1'361.6 million (previous year: CHF 1'291.4 million) and thus achieve the self-imposed objectives. Adjusted for positive currency and acquisition effects, the resulting organic revenue growth was 2.0%. The operating result (EBIT) continued to improve to CHF 170.0 million (previous year: CHF 162.6 million). The EBIT margin remained almost unchanged at 12.5% (previous year: 12.6%). This was despite significant start-up costs for various growth-related projects, in particular for the new Health Care capacity in the USA and India. The net result reached CHF 121.0 million (see the Annual Report 2018, particularly pages 2–11 and pages 56–63).

Well positioned to tackle future challenges

It is possible that some of the markets we serve may become more challenging for a time during 2019. Global trade disputes have led

to increased uncertainty in the automotive market in particular. But with the measures implemented in 2018 and before and thanks to the strategy it is pursuing, Datwyler is well prepared for the challenges ahead. We are currently expecting revenue of between CHF 1'450 million and CHF 1'500 million for 2019 and an EBIT margin within the target range of 12% to 15%, which has recently been increased twice (see the Annual Report 2018, pages 8–11). With a view to aligning the financial interests of the management and shareholders, the variable element of annual salary and the long-term participation scheme are linked to clear performance indicators and reward both long-term performance and sustainable success (see the Annual Report 2018, pages 42–54).

KEY POINTS IN BRIEF

- **The** Datwyler sites generate considerable benefits for the local industry and municipalities.
- **In** the 201 reporting year Datwyler achieved its self-imposed objectives: revenue increase by 5.4% to CHF 1'361.6 million and the EBIT margin reach 12.5%.
- **Objectives:** Revenue growth in 2019 to CHF 1'450 million to CHF 1'500 million, target range for the EBIT margin of 12% to 15%.